

UNITED STATES DEPARTMENT OF AGRICULTURE

- ☐ Rural Housing Service
☐ Farm Service Agency
☐ Rural Business-Cooperative Service
☐ Rural Utilities Service

SUBJECT: Loan Closing Instructions and Loan Closing Statement
FOR:

TO:

Reference is made to Form RD 1927-4, "Transmittal of Title Information" dated _____.

Please notify the loan approval official of the agency of the United States Department of Agriculture noted above when closing can occur and any loan checks intended for this transaction will be forwarded. Loan checks must be handled pursuant to RD Instruction 1927-B (7 C.F.R. part 1927, subpart B) and other instructions enclosed.

Notify the applicant of all loan closing requirements and arrange for closing not later than _____ working days after the date of the loan check. If the loan is not closed by that date, return the loan check to this office.

Our requirements regarding the exceptions in your preliminary title opinion or title insurance binder No. _____ dated _____, 20____ are as follows:

- No. _____ must be removed
No. _____ must be subordinated to the lien of the United States which will be created at loan closing
No. _____ may remain ahead of the lien of the United States which will be created at loan closing
No. _____ must be changed as follows:

The requirements checked below must be met before loan closing:

- ☐ Income under exceptions No. _____ to be assigned to the USDA on Form RD 443-16
☐ Verify balances secured by liens referred to in the following exceptions:

No. _____ must not exceed \$ _____ at loan closing
No. _____ must not exceed \$ _____ at loan closing

- ☐ Applicant to provide paid in full receipt for a one year standard fire and extended coverage insurance policy or binder
☐ Written evidence that water system is acceptable
☐ Written evidence that waste disposal system is acceptable
☐ Termite and pest certification
☐ Other:

Loan funds plus \$ _____ of borrower's personal funds required by USDA to be deposited in escrow with you will be disbursed as follows:

Pay \$ _____ to _____
Pay \$ _____ to _____
Pay \$ _____ to _____

Pay a sum not exceeding _____ for borrower's share of closing costs. You are to deposit the balance of funds in a countersignature bank account by making a check payable to the borrower and endorsed as follows: "For deposit only

in my supervised bank account in _____ pursuant to Deposit Agreement dated _____."
The endorsed check is to be attached to the enclosed Form RD 402-1 and delivered to the designated bank.

The following instruments and forms must be completed and, if applicable, executed at or before loan closing. All forms are to be executed or conformed as required by RD Instruction 1927-B or other applicable instructions. After loan closing, the approved attorney or title company will complete the last column and return the items listed, with this form, to USDA.

Orig	No. of Copies	No. Signed	No. to USDA	Form No.	Form Name
				400-1	Form Name
				400-4	Assurance Agreement
				402-1	Deposit Agreement
				1924-19	Builder's Warranty
					10 Year Warranty
				426-2	Property Insurance Mortgage Clause (Without Contribution)
				1940-16	Promissory Note
					Amount of 1st year installment = \$ _____
					Amount of subsequent installments = \$ _____
				3550-14	RE Mortgage/Deed of Trust
				1927-1	Real Estate Mortgage/Deed of Trust
				1927-5	Affidavit Regarding Work of Improvement
				1927-8	Agreement with Prior Lienholder
				1927-10	Final Title Opinion
				1927-	Warranty Deed
				440-9	Supplementary Payment Agreement
				440-34	Option to Purchase Real Property
				440-45	Nondiscrimination Certificate (Individual Housing)
				1940-59	Settlement Statement
				443-16	Assignment of Income from Real Estate Security
				1944-14	Payment assistance/Deferred Mortgage Assistance Agreement
				1955-49	Quitclaim Deed
					Assumption Agreement
				3550-12	Subsidy Repayment Agreement

Additional Information and Instructions:

A copy of this Loan Closing Statement signed by you, the executed promissory note, and all other executed documents required for loan closing must be returned to the loan approval official within one day after the loan is closed, except as soon as possible after closing you must provide the loan approval official with the final policy of title insurance and, if applicable, the real estate mortgage or deed of trust.

Loan Approval Official _____ Date _____

LOAN CLOSING STATEMENT *(To be completed by approved attorney/title company)*

I certify that the subject loan was closed on _____, in accordance with RD Instruction 1927-B and other written directions received from USDA. Enclosed are the properly executed forms in connection with loan closing.

By _____ Date _____

Title _____

FOR USDA USE ONLY

I have examined the loan closing documents and determined that the loan was properly closed in accordance with instructions provided.

Loan Approval Official _____ Date _____